

EXHIBIT 12

DOCUMENT

PLACEHOLDER

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Adobe® 2005 Performance, Salary & Stock Focal

Theresa Townsley
Donna Morris
Ellen Swarthout

February 2005

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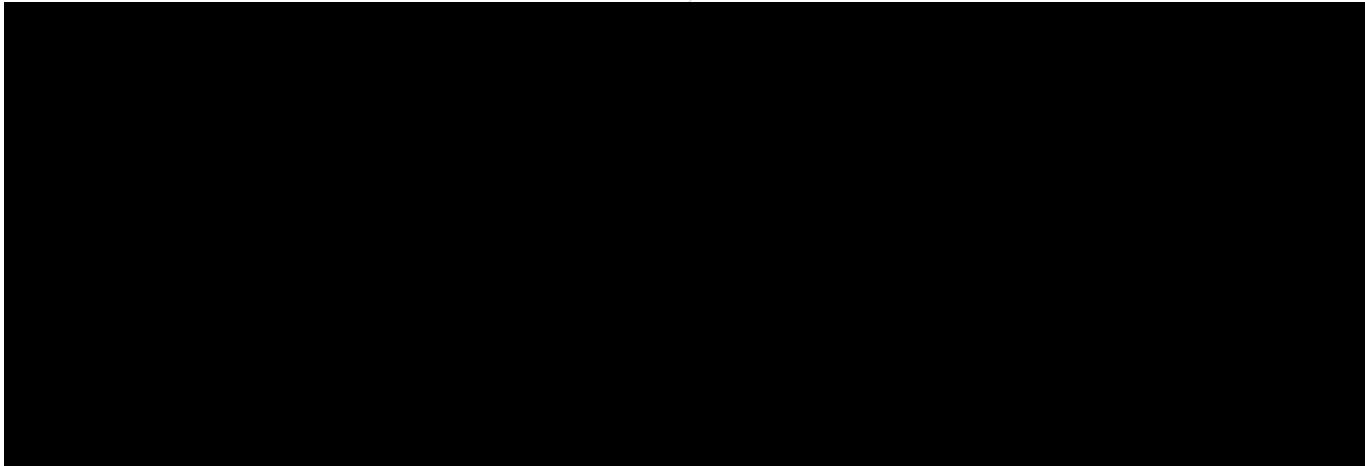


Agenda

- **High-level Timeline**
- **Talent Review Process**
- **Focal Training Overview**
- **Global Market Analysis**

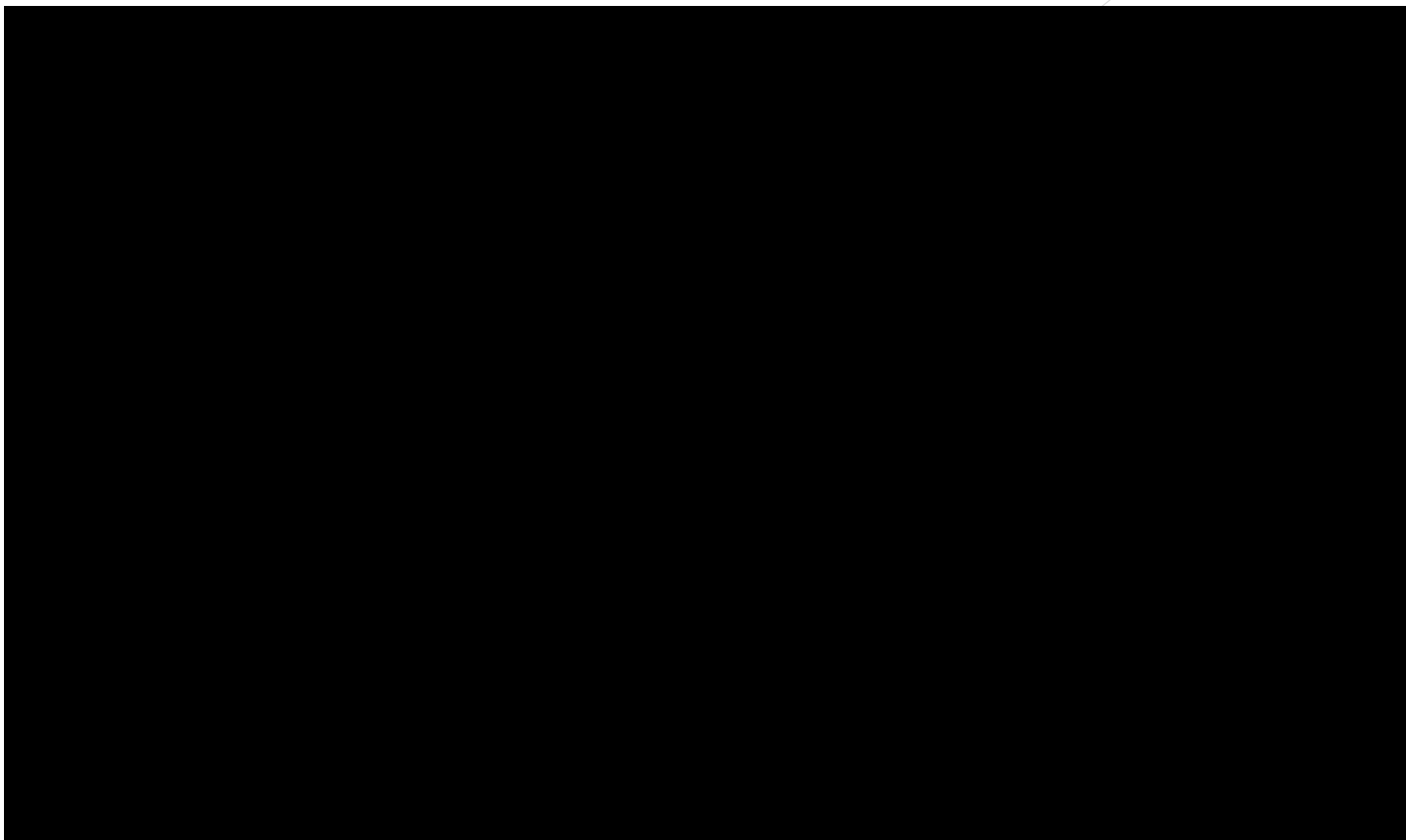


High-level Timeline

- **Feb. 21:** All managers receive email to kick-off the Performance, Salary & Stock Focal process
 - **Mar. 14 – 30:** To learn about the Focal process, all new managers and new employees attend general sessions, other managers and employees reviewing online resources
 - **Mar. - June:** Managers can attend a training session to learn how to have a more effective performance discussion
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High-level Timeline (cont.)



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Adobe Talent Review

Integrating with Strategy and Operations

Donna Morris

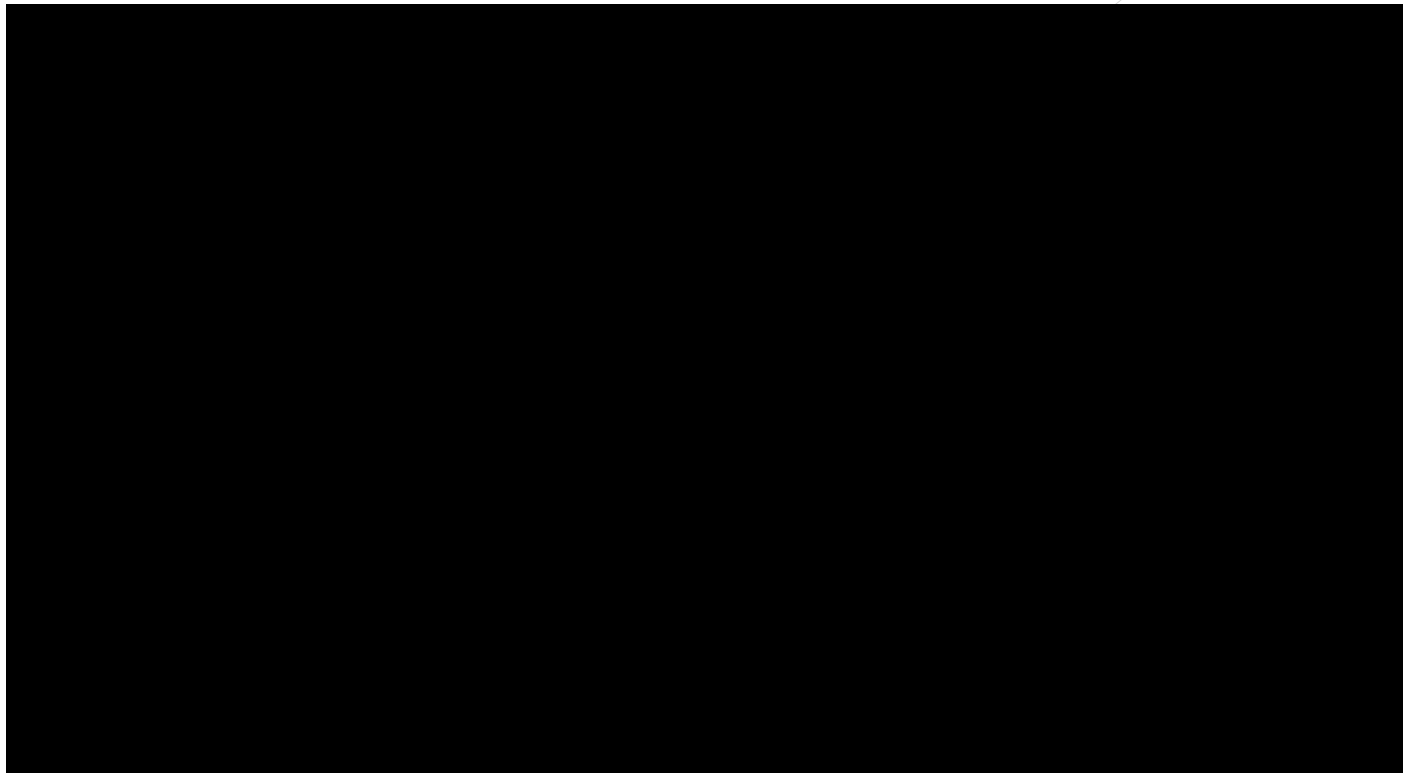
Senior Director, Talent

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Evolving the Discussion

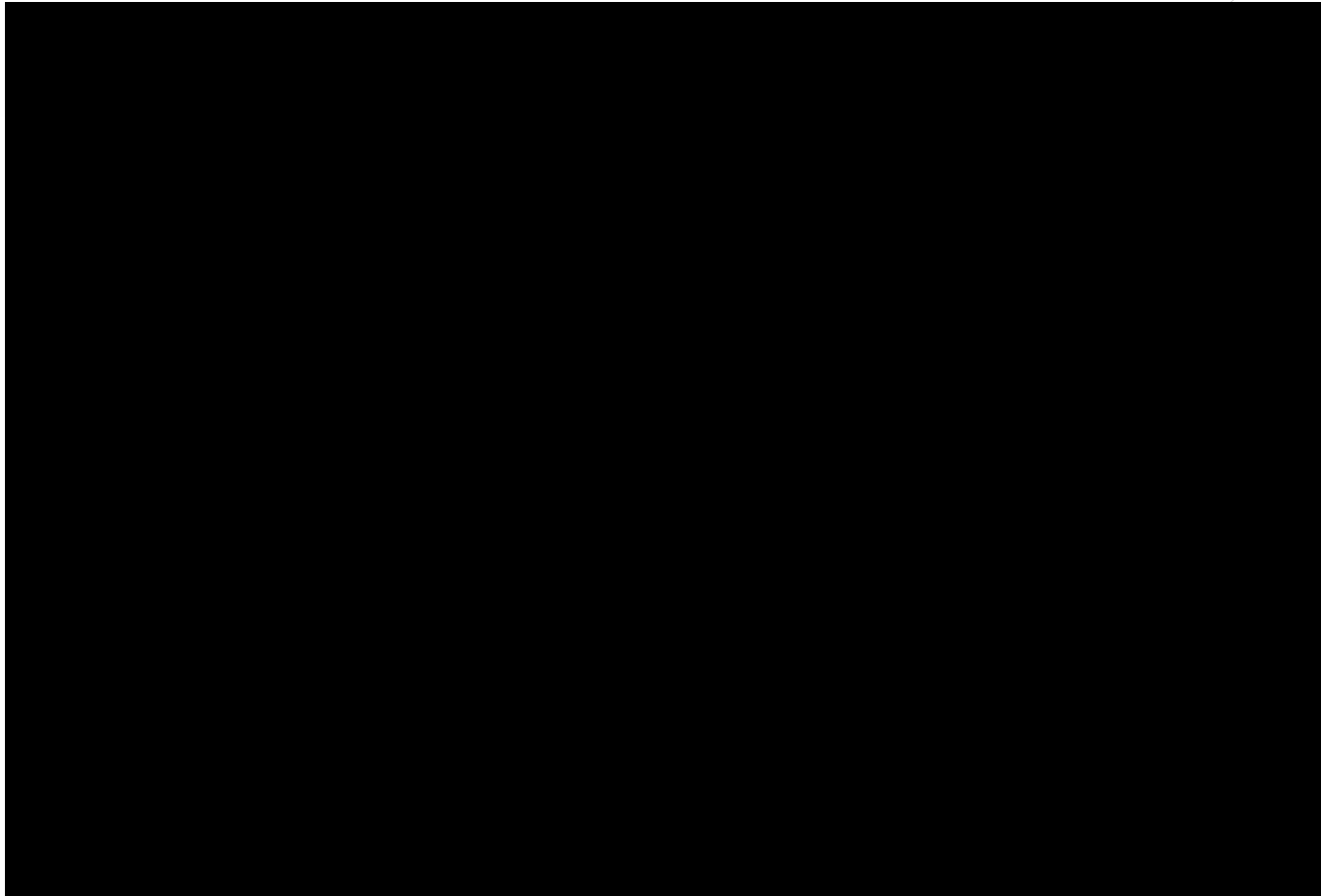


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Talent Review & Ranking

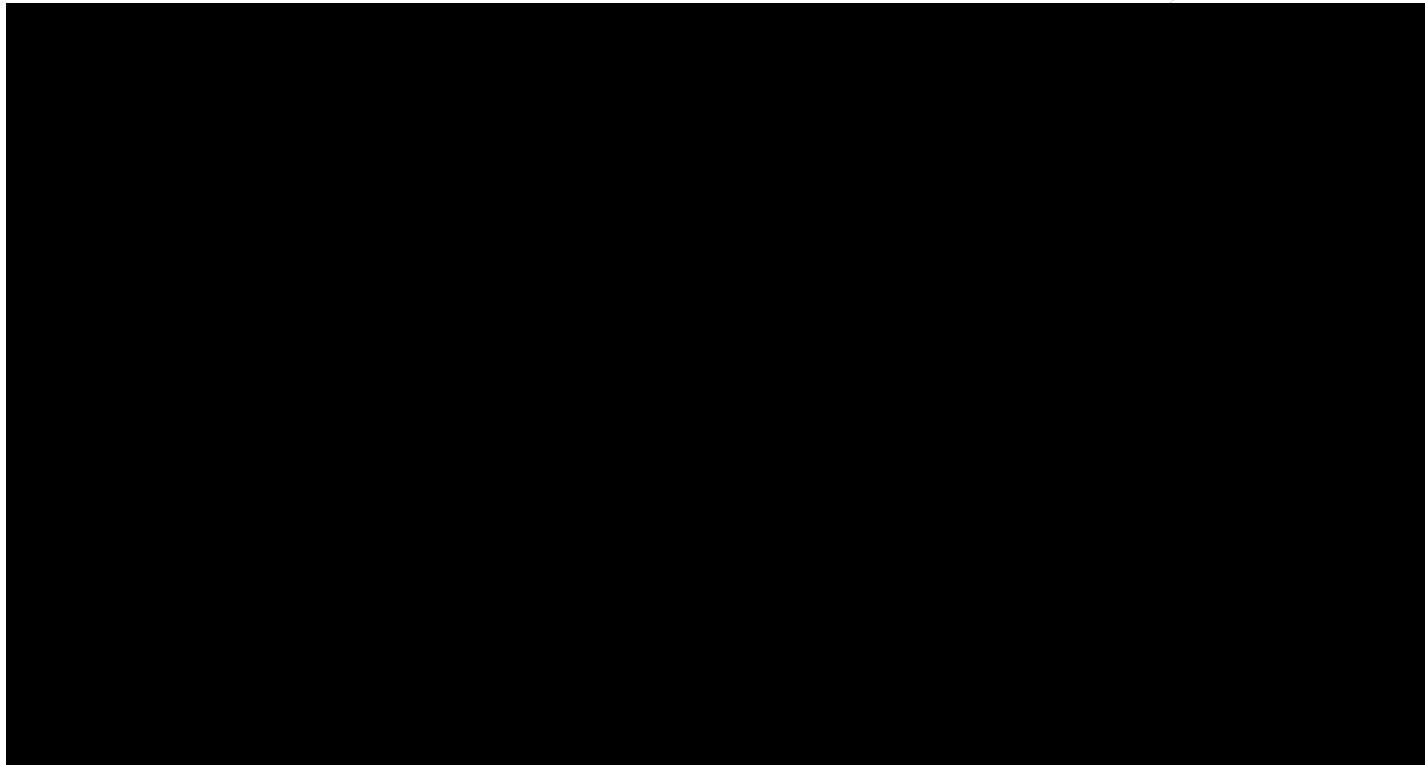


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Talent Review & Ranking (cont.)



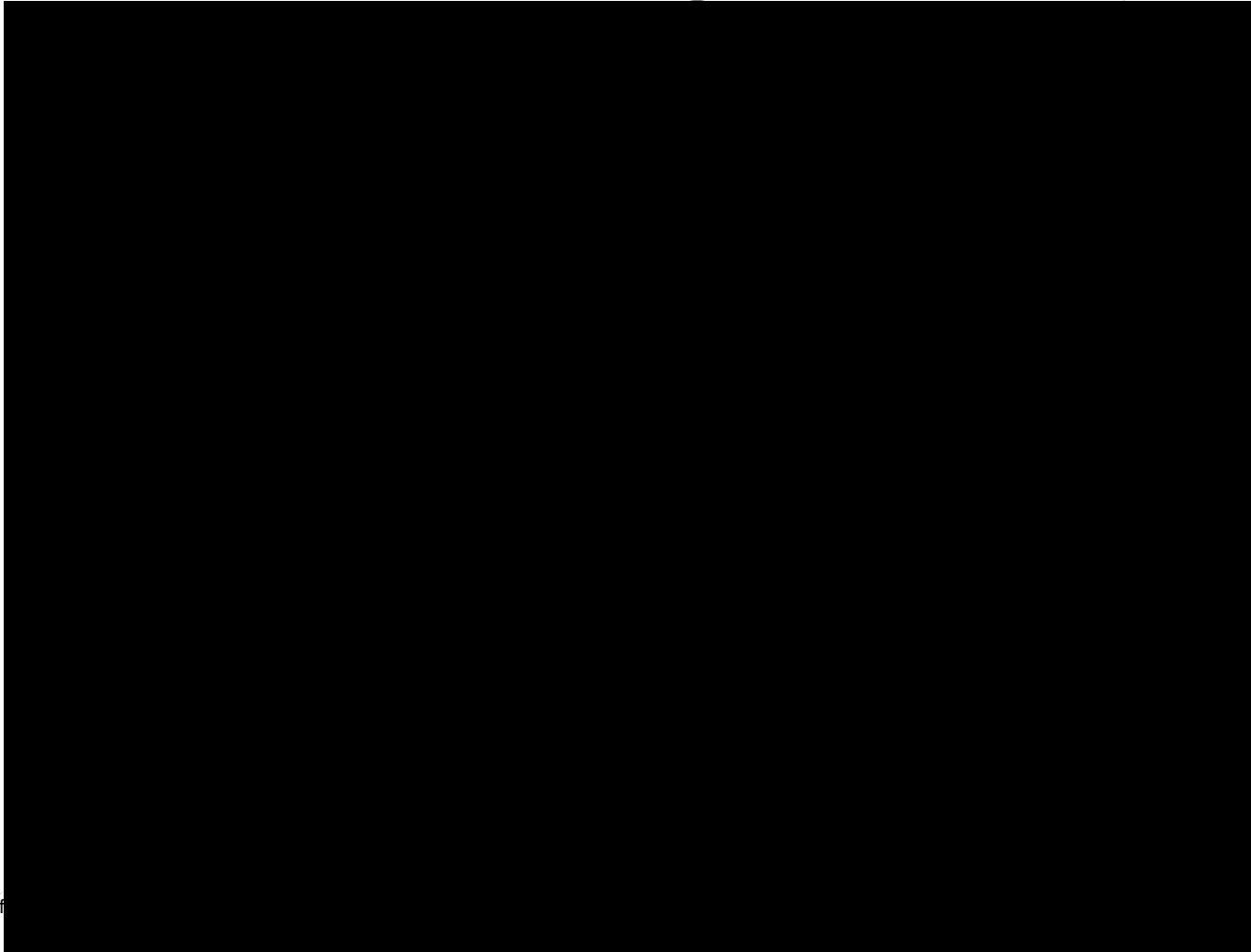
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Talent Review Cycle



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Focal Training Overview

- **Based on feedback from 2004, the focus of training will shift from “process” to “delivering effective performance feedback”**
- **Focal “Process” information will be available online and a few in-person sessions for new managers**
- **Performance feedback training will be held from March through June, and then ongoing**
- **KTB (Knowing the Business) session on Compensation in late April**



Global Market Analysis

Ellen Swarthout

Director, WW Compensation

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Compensation Philosophy

- To ensure we can **attract and retain talented and motivated employees** throughout the world partnering in our success, we provide competitive “Total Compensation” programs as appropriate to each country in which we do business.

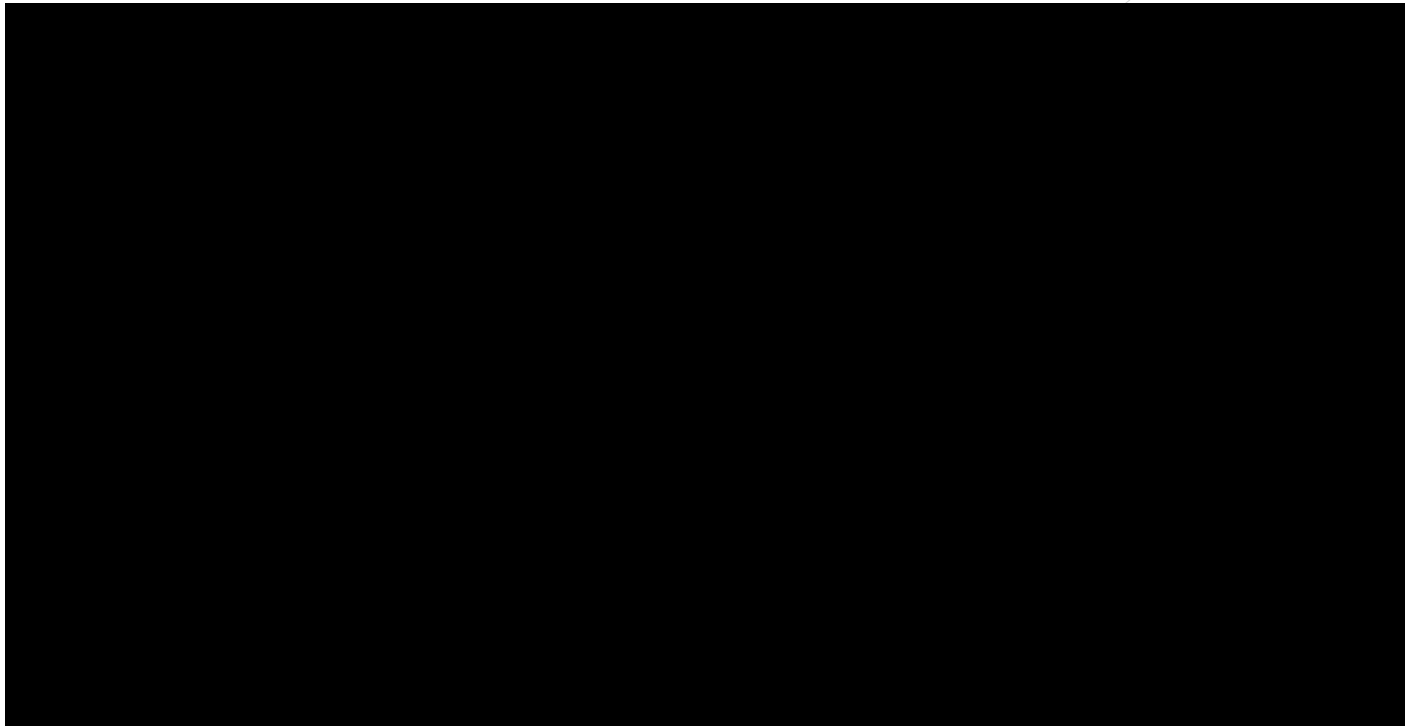


Compensation Philosophy

- **We are committed to the following principles:**
 - We share our success with our employees.
 - We offer competitive total compensation based upon practices for our industry and local markets in which we compete, while preserving Adobe's financial strength.
 - We provide a work environment including the tools, training and relevant information that supports a high level of personal and organizational productivity.
 - We work together as individuals, managers and teams to define goals, and hold ourselves accountable for objectives we set.
 - We fairly and regularly assess performance results and differentiate rewards based on performance.
 - We recognize and reward results and contributions tied to the success of the company and in support of company values.
 - We offer competitive benefits geared toward individual needs, flexibility, competitive environment, and cost effectiveness.
 - We offer or participate in programs, which allow employees to effectively plan for and manage their financial futures.
 - We communicate the goals, features and value of our programs.



Methodology

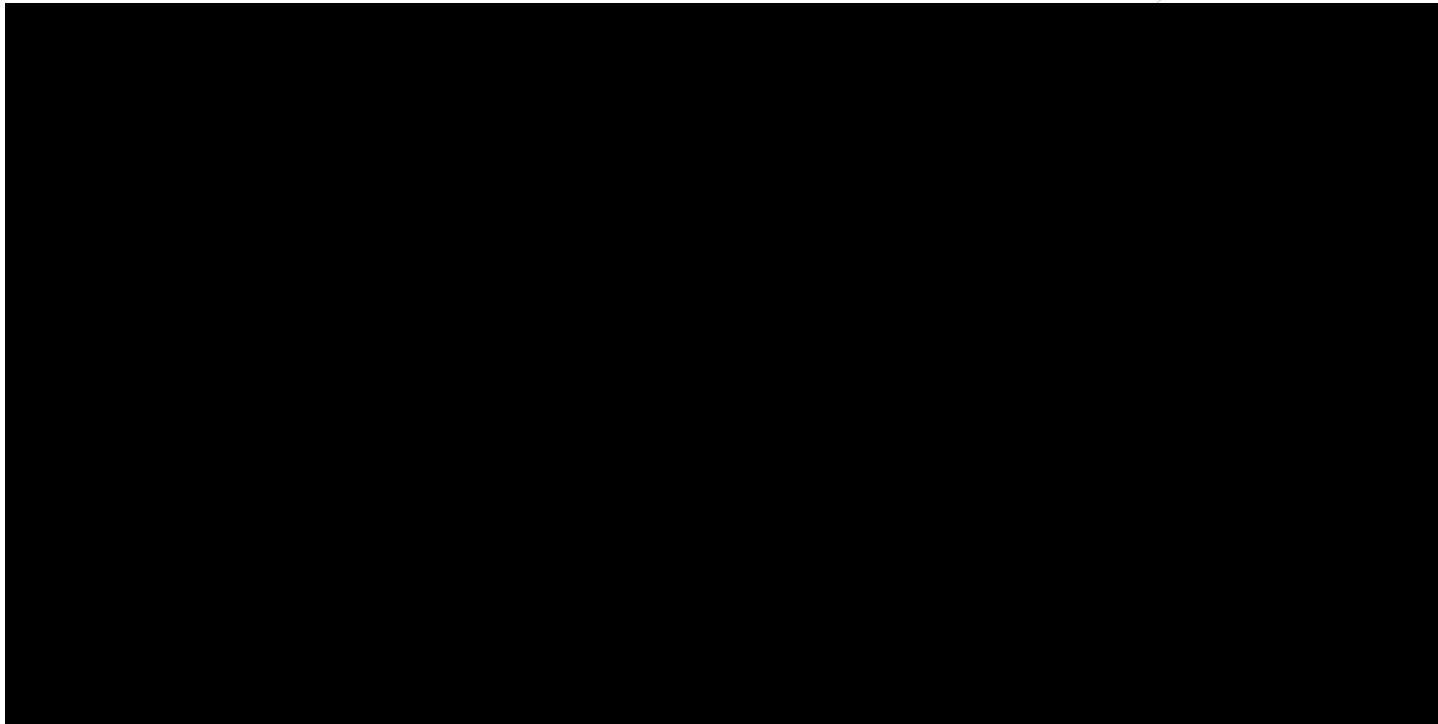


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Methodology (cont.)

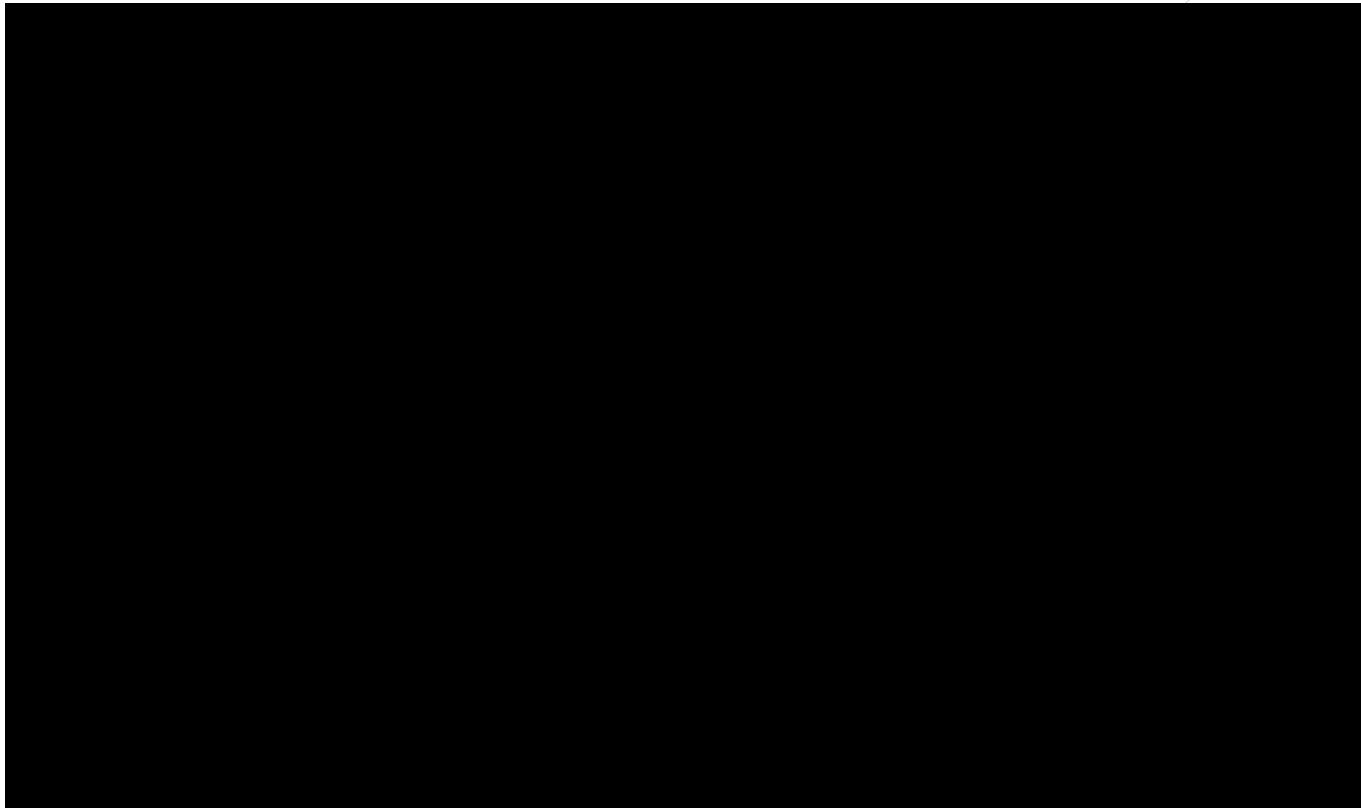


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Findings – Salary Budget Surveys

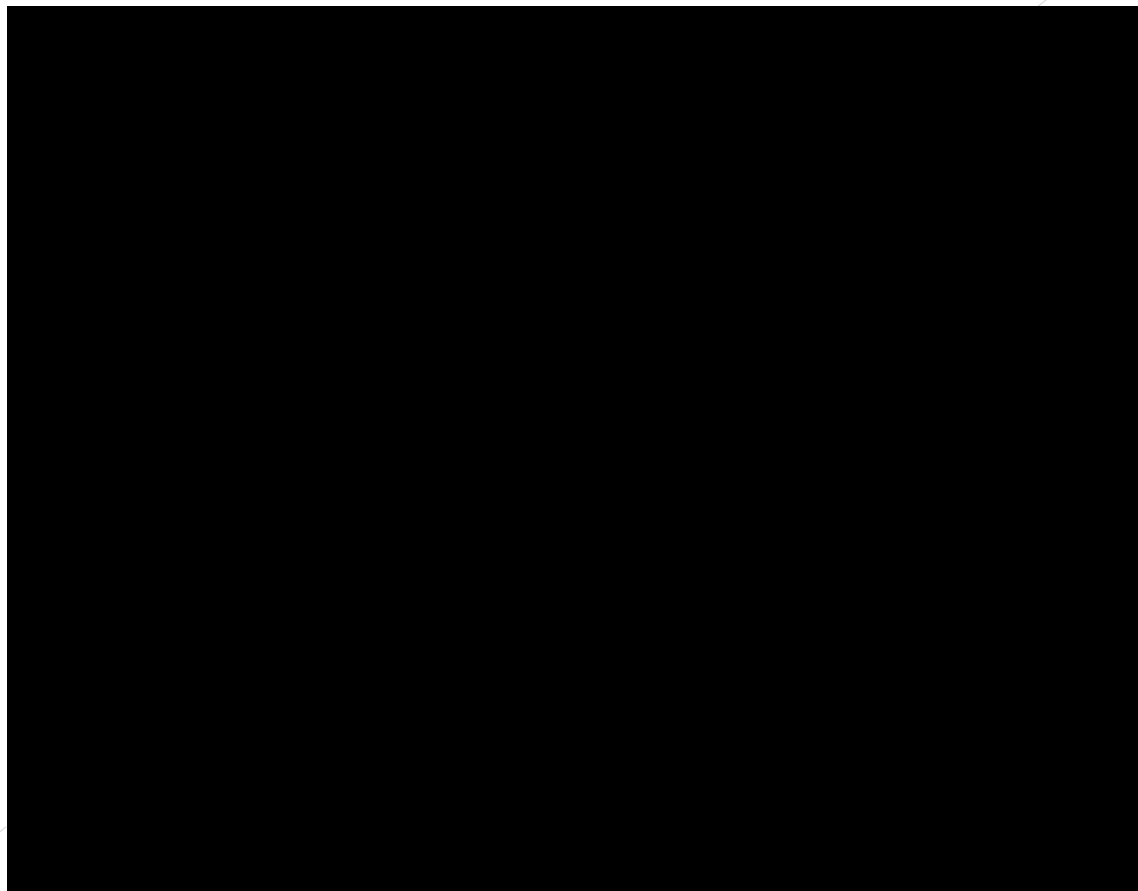


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Findings –Position to Market by Select Areas **(Updated Information)**

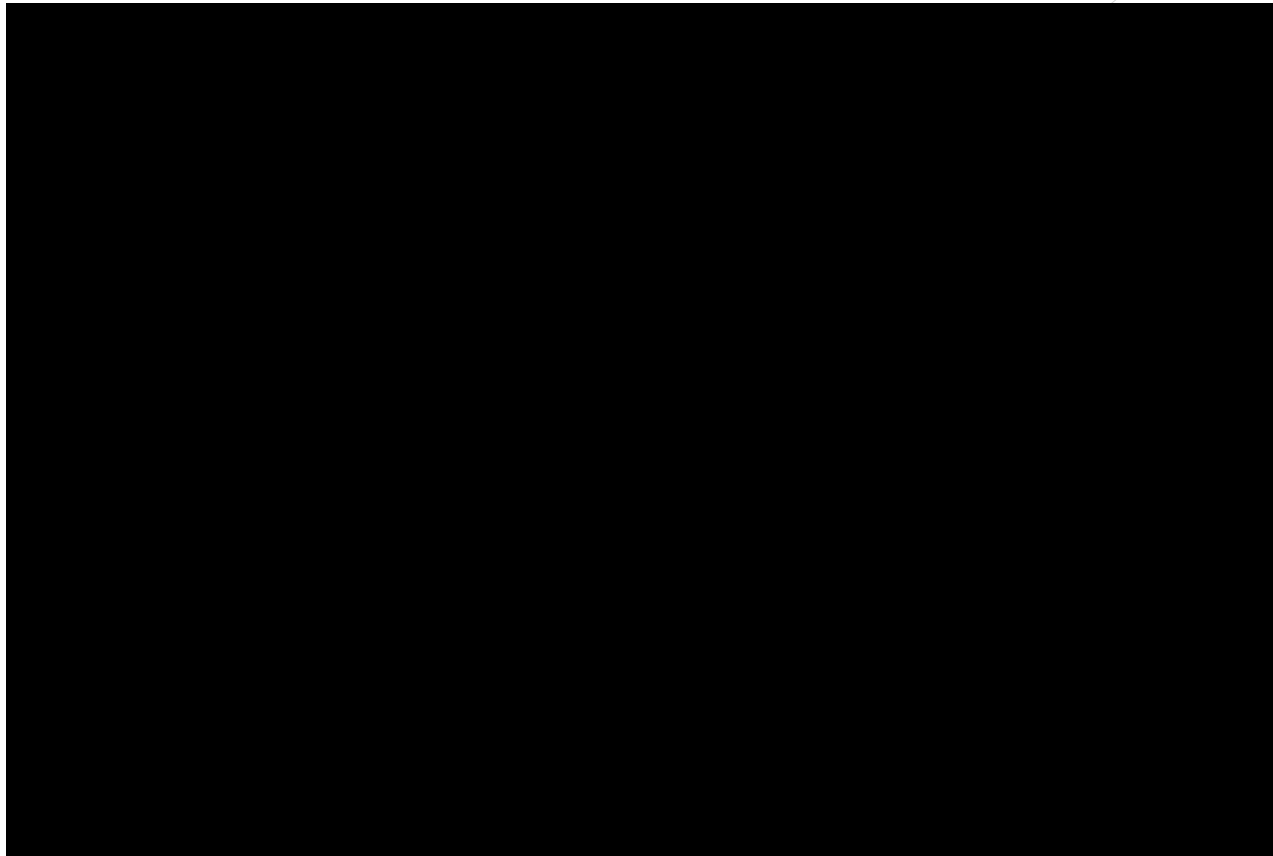


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Findings – WW Position to Market **(Updated Information)**

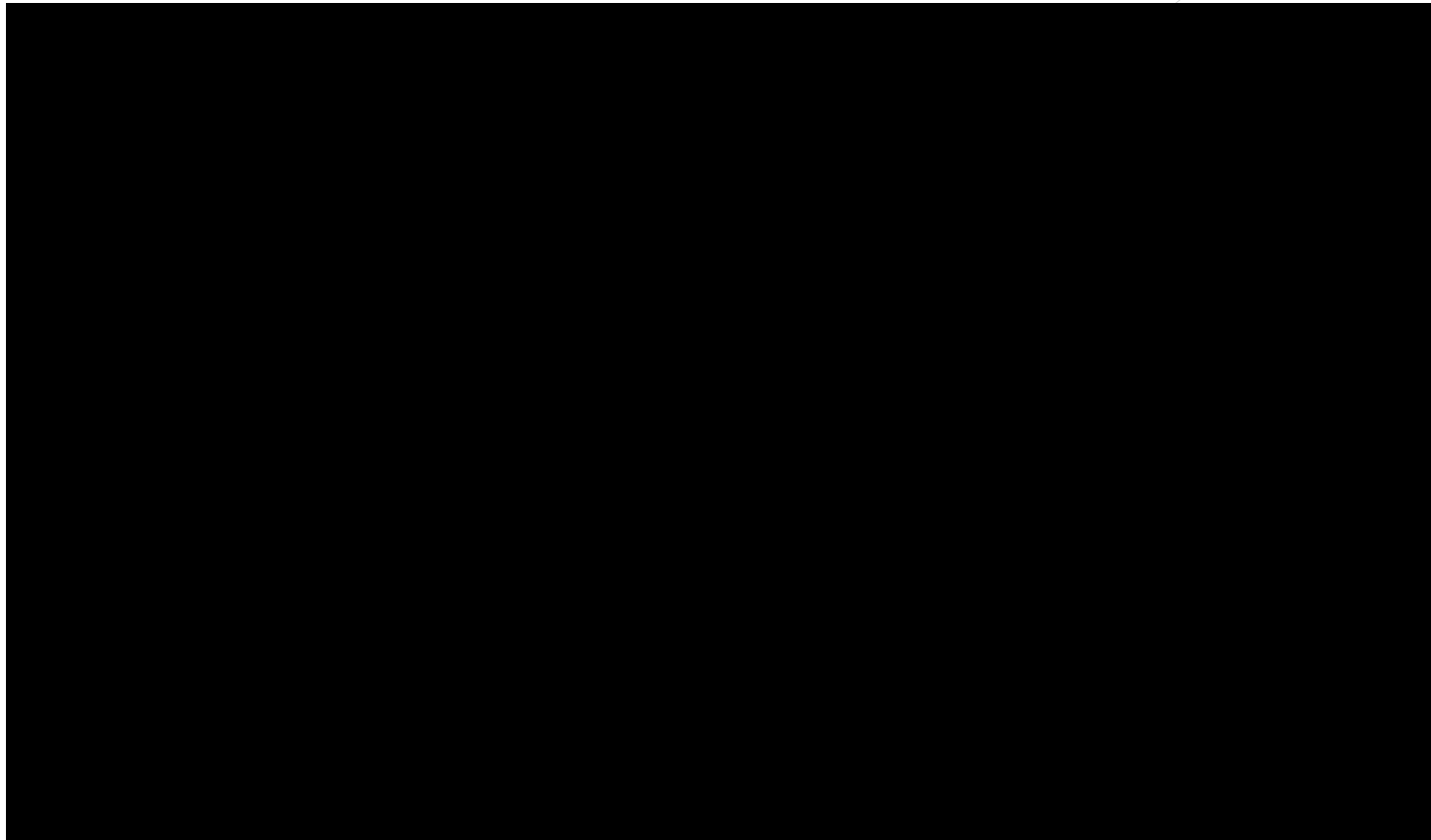


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Salary Matrices (New Information)

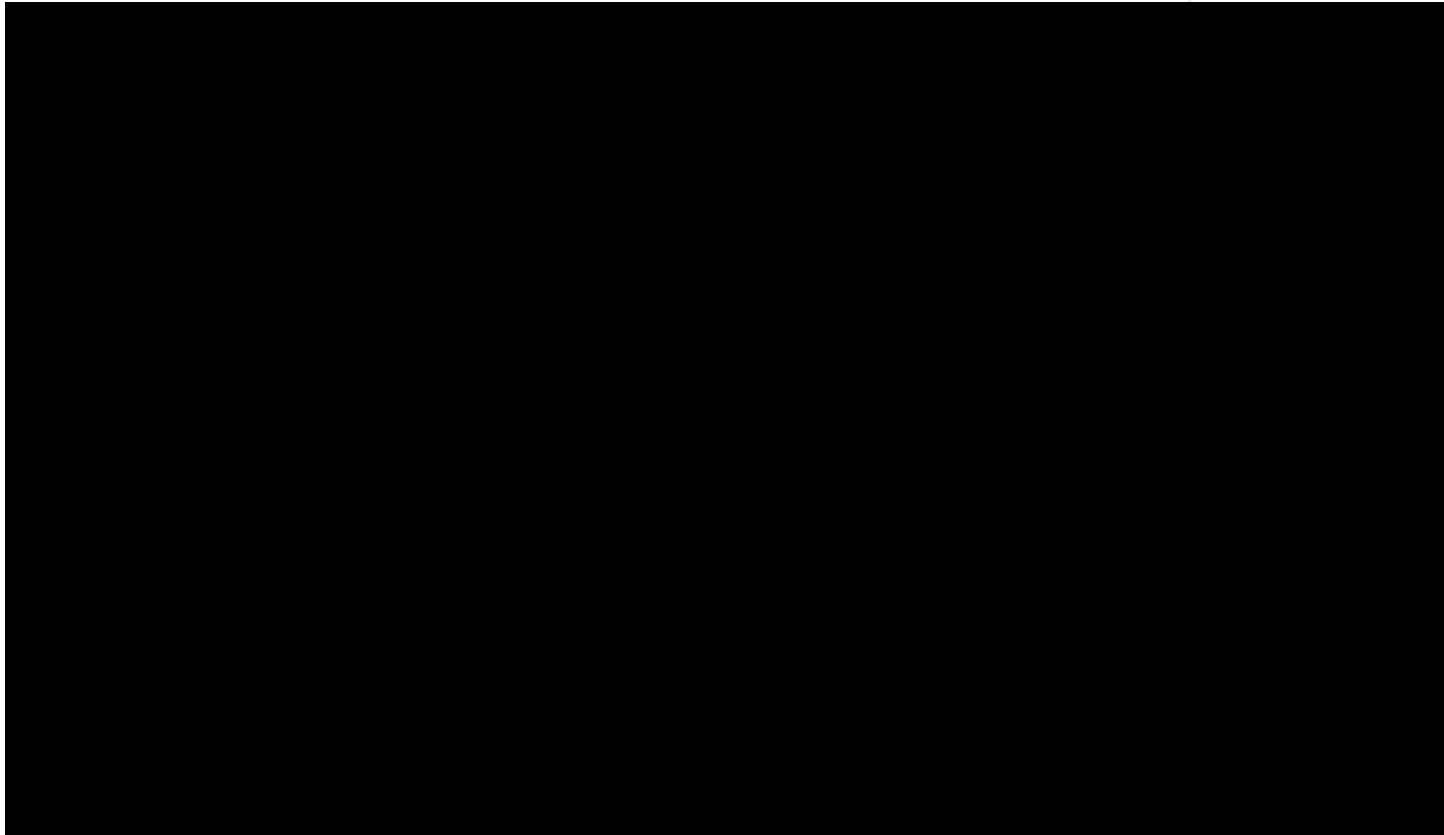


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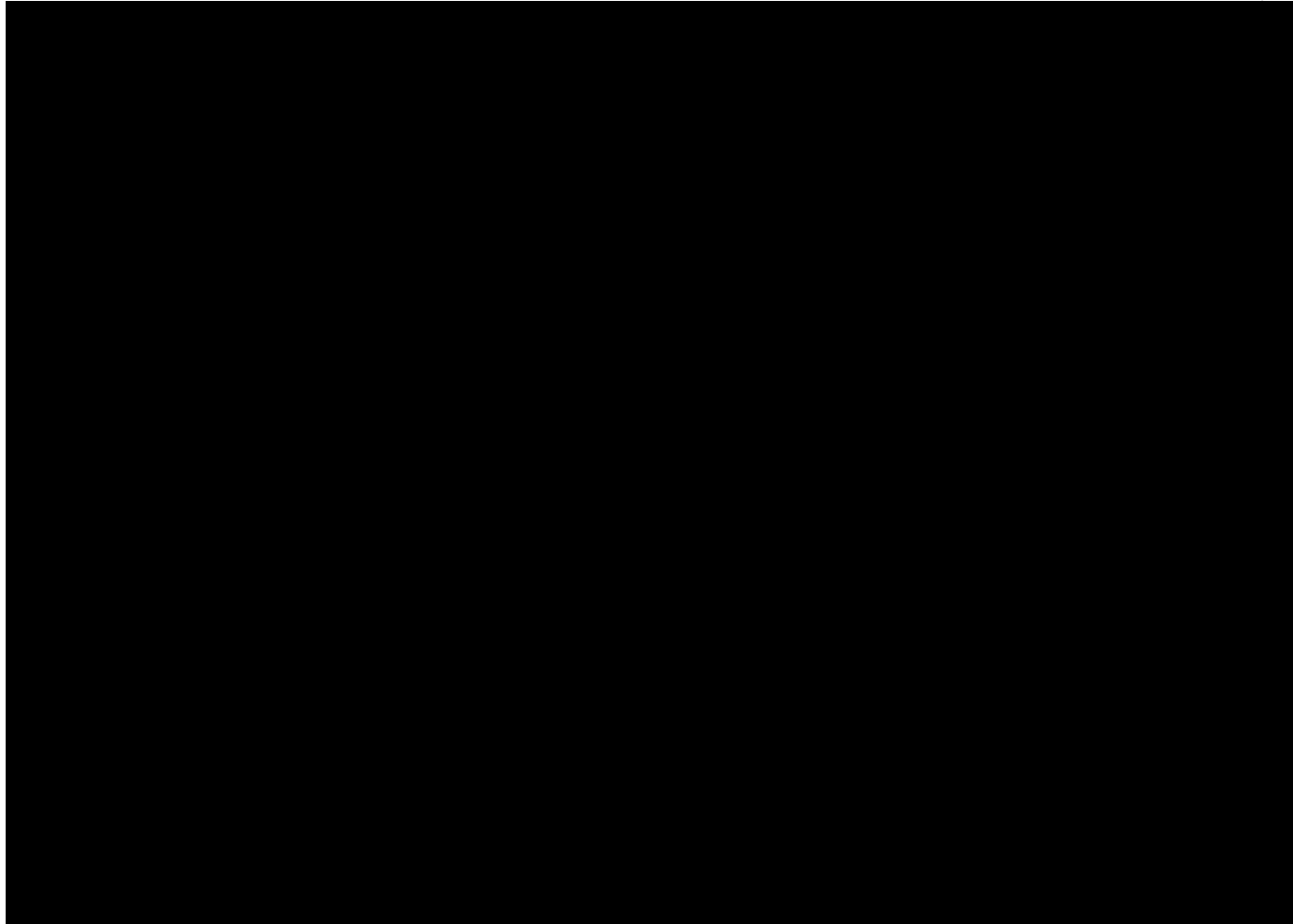


Salary Matrices **(New Information)**



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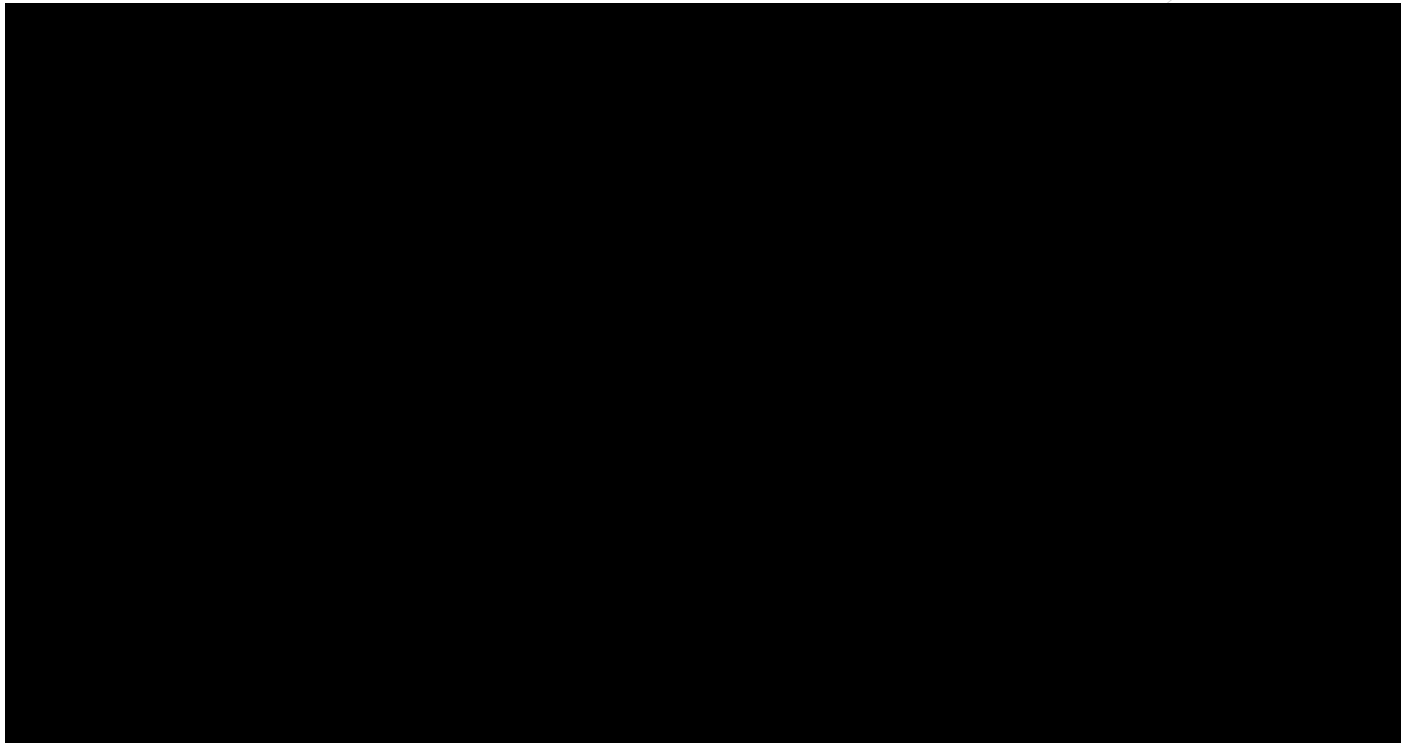


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India and China



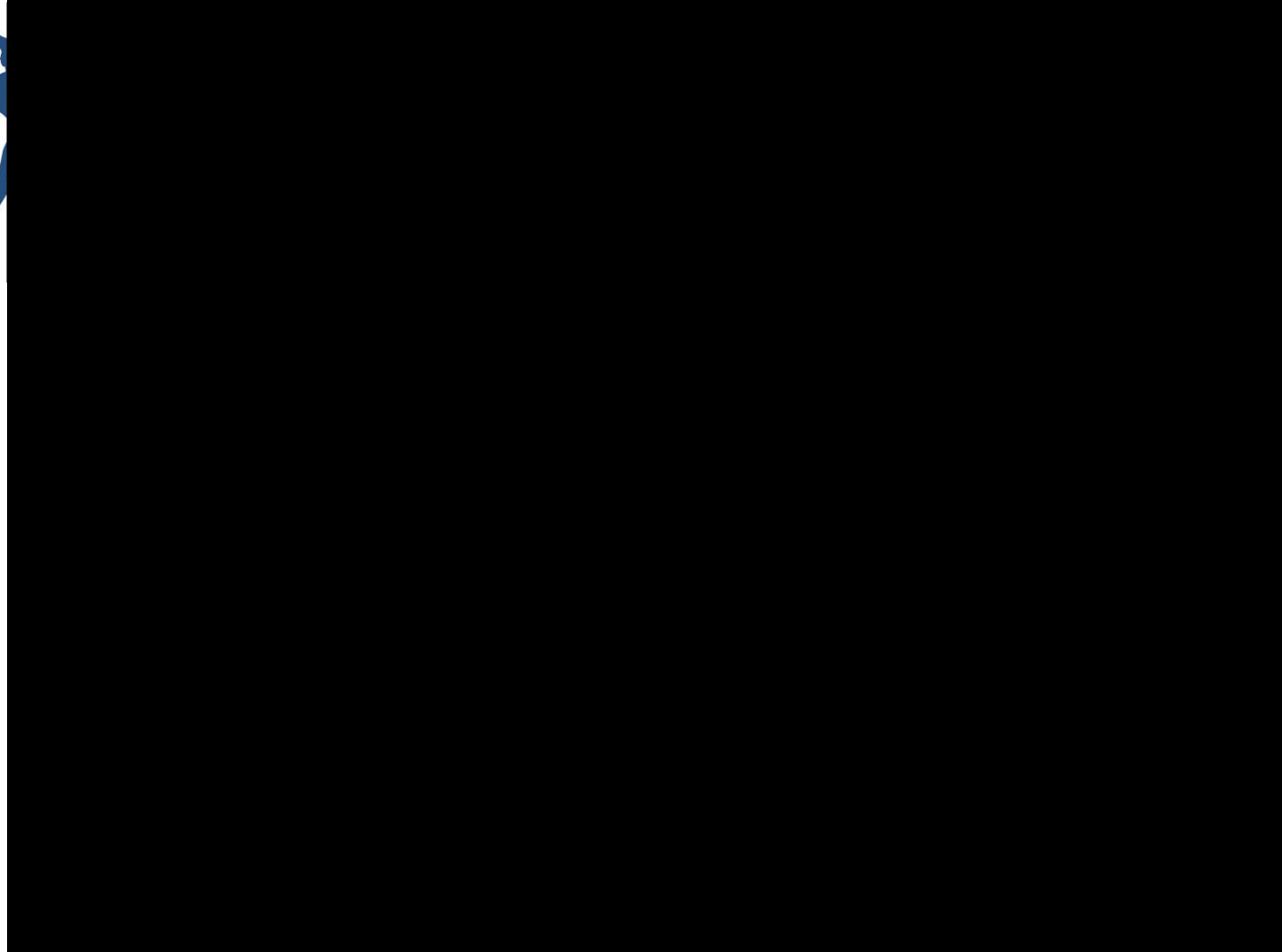
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Recommendations

- **Recommend total salary budget for FY05 of 5%**
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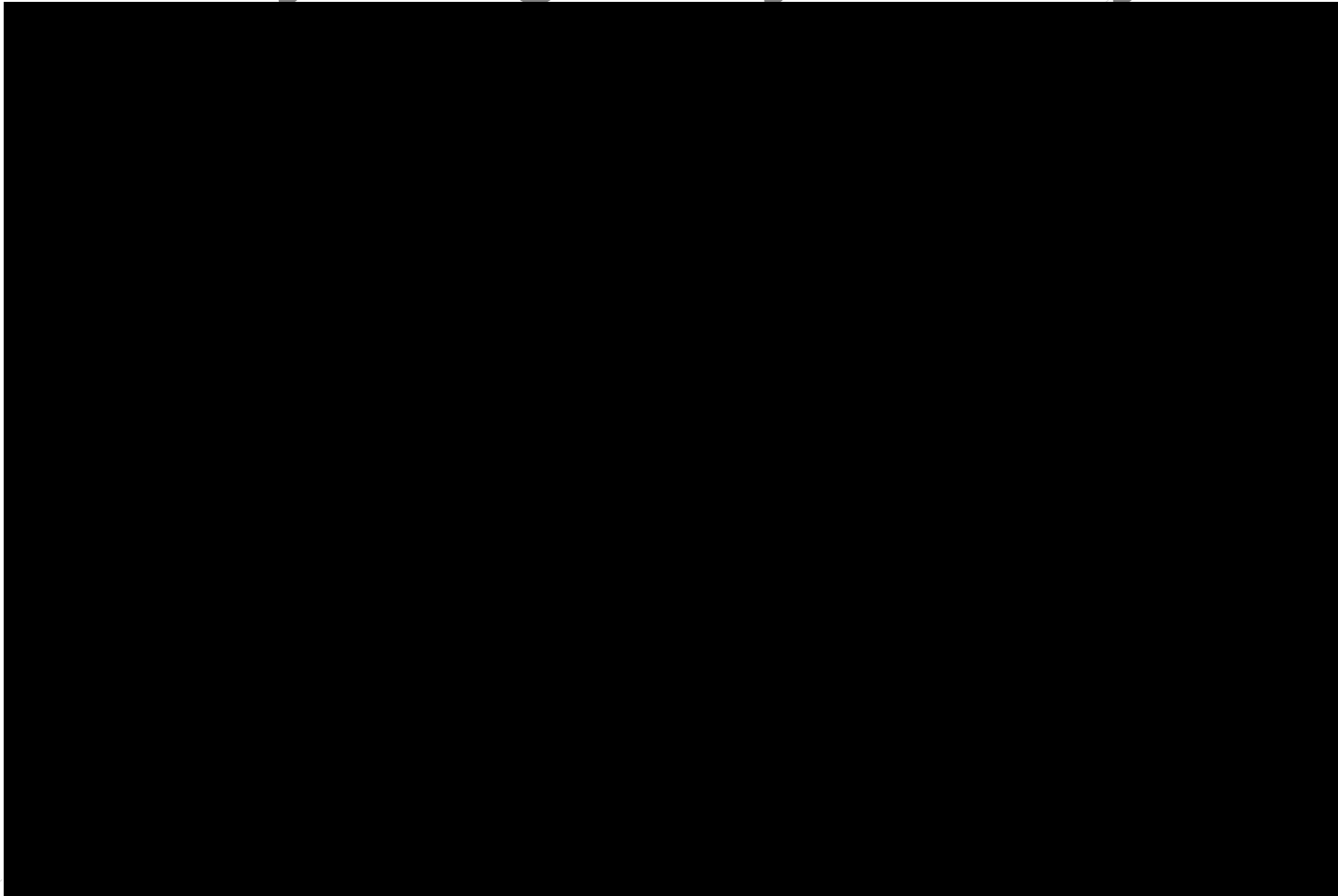


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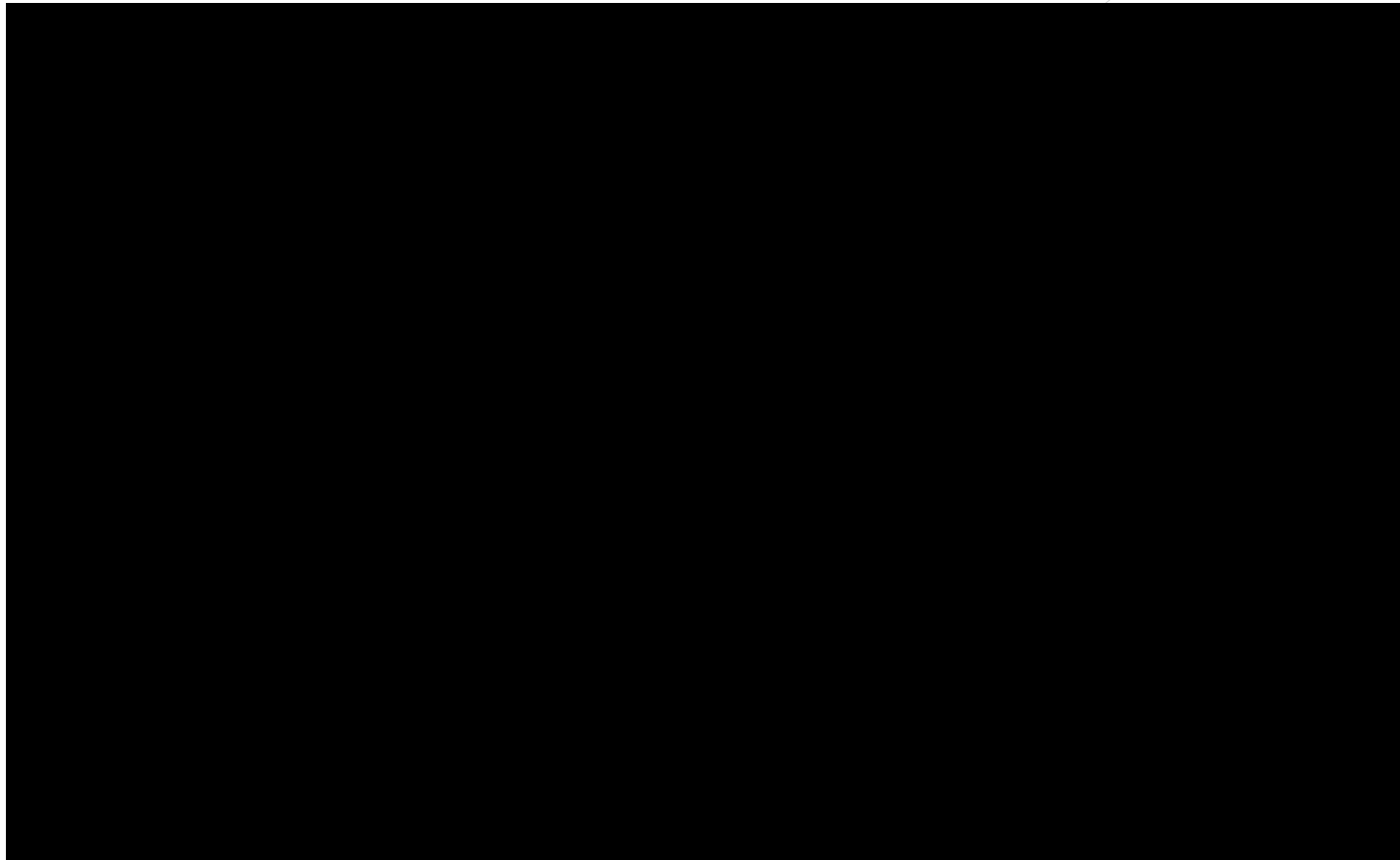


Total Salary Budget- 5% Salary Budgets by Country





Market Projected Salary Budgets



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Rise to the Challenge